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May 13, 1992

Office of the Secretary  
Federal Communications Commission  
1919 M Street N.W.  
Washington, D.C. 20554

Dear Sirs:

In reviewing the proposed regulations stated in the Notice of Proposed Rulemaking issued by the FCC on April 17, 1992 for public comments, I have encountered numerous points which pose serious roadblocks to the execution of our telemarketing operation. I, therefore, feel the need to strongly dissuade the FCC from imposing restrictions which will hinder telemarketing operations such as ours which feel the need to use advanced telemarketing technologies.

One of my main concerns is the loose terminology used in defining autodialing. We are currently involved in a project which will bring autodialing technology into our telemarketing department. The terminology used in the automated telemarketing system vendor community defines autodialing as taking a prepared list of phone numbers and placing dials to reach the intended party. There are a number of dialing techniques which allow the autodialer to place the dial and then pass an answered call immediately to a live sales representative.

The terminology used in your Notice gives the impression that this form of autodialing will not be allowed under the new legislation. It is, in essence, a phone call placed by a live agent, as there would only be one phone line per agent. The FCC should invest time in researching autodialing technologies and formulate a clear definition so there can be no misunderstanding of what the FCC is proposing.

In the proposal the FCC mentions the point about granting the telemarketing agency permission to contact former or existing clientele. Again the wording used is not clear and the potential for misinterpretation great. The FCC needs to clearly define who will be considered a former or existing client so that telemarketing management can make informed decisions about their departments and future planning can be accomplished.

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At CUNA Mutual Insurance Society, we associate solely with credit union members. We obtain permission from each credit union for each form of marketing we wish to employ. This ranges from mailings to members to calling members about upgrading an existing or new policy to calling members after a mailing to answer any questions about the mailing. It is unclear as to whether or not these forms of telemarketing are considered contact with former or current clientele.

This leads directly into the alternatives which are available to restrict telephone solicitation. Four of the five options create major concerns in the effects they would have on the telemarketing industry. One, however, seems to hold encouraging possibilities.

A national database, in theory, would solve many of the problems of calling consumers who are not willing to be bothered. The major drawback, as outlined in the Notice, is the inability to remain current. The lag in time from the point where a consumer sends in a request to be excluded from telemarketing calls to the point when this information reaches the telemarketing agencies and is implemented could be great. There is also a question of the costs incurred and the resources required by the telemarketing agency to check against this list each time a call list is created. Therefore a national database would greatly hinder the effectiveness and cost recovery potential of a telemarketing agency.

The network technology mentioned in the Notice would also pose many problems. My main concern is that someone could unsubscribe to telemarketing phone calls and then be unable to be contacted by telemarketing agencies trying to service this customer. The agency would be locked out from completing that call to someone they have a business relationship with because the agency has a special prefix. This seems like it would create more trouble than the good it is intended to do.

Special directory lists, as referred to in the Notice, seem to be the least effective and most costly alternative of the five. This solution would require literally tons of directories which would need to be entered into a local database on a yearly basis. The FCC mentions that \$435 billion in sales were generated in 1990 by telemarketing. This solution would impinge on the telemarketing agencies ability to recover costs and would cause many agencies to shut down. This is not in the best interest of the idea of free enterprise nor is it in the best interest of American citizens who enjoy the freedom of shopping at home for products offered by telemarketing agencies.

The time of day restriction alternative would also cause great harm to the telemarketing industry. The telemarketing industry, as a whole, generally adheres to the policy of contacting consumers

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between 9:00 a.m. and 9:00 p.m. Any deviation from this time-frame would greatly lessen the effectiveness of the telemarketing agencies while providing little relief for people who feel infringed upon.

The solution which seems to hold the most potential for solving the problem of infringing on people is the company specific do not call list. At CUNA Mutual Insurance Society we pride ourselves in knowing whether or not a credit union allows us to contact their members. We take the time to contact each credit union about new telemarketing projects to inquire about contacting their members. This solution continues to work for CUNA Mutual Insurance Society and seems a viable solution for all telemarketing agencies.

My main concern throughout the Notice is the unclear wording. The FCC should spend extra time researching telemarketing and the technologies associated with it in more detail to insure a complete understanding by those who will be affected by this proposed legislation. Only then can both the public and the telemarketing industry be assured of the protection that both so greatly deserve.

Sincerely,

A handwritten signature in cursive script, appearing to read "Don D. Davidson". The signature is written in dark ink and is positioned above the printed name and title.

Don D. Davidson  
CUNA Mutual Insurance Society

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